



GOVERNMENT OF PUDUCHERRY
LOCAL ADMINISTRATION SECRETARIAT

(G.O. Ms. No. 57/LAS/2009-10, dated 29th January 2010)

ORDER

It has been decided to introduce a scheme for giving interest subsidy on interest beyond 3% of loan for a maximum amount of Rs. 2.00 lakhs to each Self-help Group.

2. The scheme may be called "Payment of Interest Subsidy to the Women Self-help Groups Scheme, 2009" and shall extend to all the Women SHGs formed by the Puducherry Urban Development Agency (PUDA), Local Administration Department and the District Rural Development Agency (DRDA) in the whole of the Union territory of Puducherry.

3. It has been decided to implement the said scheme initially in Yanam region as a Pilot Project from 6-1-2010.

4. This scheme aims at strengthening and empowering Women SHGs by reimbursement of that part of the interest charged by the banks over and above 3% per annum in respect of loans not exceeding Rs. 2.00 lakhs availed by such Self-help Group. The interest subsidy in respect of the active loans will be released to the Self-help Group every month as subsidy based on their performance of repayment of loan and interest on a monthly basis to the banks.

5. The Commissioner of the Municipalities and the Block Development Officers/Joint Block Development Officers shall obtain from the bank the following details before making reimbursement of the interest subsidy to the eligible Self-help Groups:

- (i) List of eligible Self-help Groups who have availed loan from the banks.
- (ii) The amount of principal plus subsidy paid by the Self-help Groups against their active loan account.
- (iii) List of groups which have closed/foreclosed their account during the year indicating the actual interest charged by the bank.

6. The Commissioner of the Municipalities and the Block Development Officers/Joint Block Development Officers will be delegated with the authority to sanction the interest subsidy over and above the 3% payable by the Self-help Groups on a monthly basis.

7. This issues with the concurrence of Finance Department *vide* their I.D. No. 113652/F4/2010, dated 5-1-2010.

(By order of the Lieutenant-Governor)

V. MANIVANNAN,

Under Secretary to Government (LA).
